

FISCAL IMPACT STATEMENT ON BILL NO. **H. 4227**

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TO:	The Honorable Joe E. Brown, Chairman, House Medical, Military, Public and Municipal Affairs Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Rodney Grizzle, Kenneth Brown, Harry Bell		
DATE:	January 30, 2006	SBD:	2006004

AUTHOR:	Representative J. H. Neal	PRIMARY CODE CITE:	24-3-5
SUBJECT:	Private Correctional Facilities		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

House Bill 4227 would prohibit the State of South Carolina or its political subdivisions from entering into a contract to build or have built a private correctional facility. Furthermore, the Bill also prohibits the any contracts with private contractors for services related to the operations of a correctional facility in South Carolina.

EXPLANATION OF IMPACT:

Department of Corrections (SCDC):

Enactment would require additional General Funds of the State in the amount of \$6,600,000 in non-recurring cost for the construction of a new 256-bed facility to house the additional increase in inmate population and \$3,738,000 in recurring cost, which would include salary and fringe for 22.00 new FTE's and other operating costs for a 256-bed facility. This Bill could also create an increase in the current operational cost in the existing correctional facilities by eliminating the existing contracts with private vendors for food, supplies, waste treatment and other specialized services, to include health care services.

Department of Juvenile Justice (DJJ):

Enactment would require additional General Funds of the State totaling \$1,785,728, to cover personal service expenditures required to maintain current staffing pattern at its' eight (8) facilities. Using the state's classification/salary structure, fringe benefits package and state/federal requirements for the DJJ school district, the added personal service cost is estimated to be \$223,216 per year per camp or \$1,785,728. In addition, DJJ would require two-hundred sixty-six (266.00) additional full time equivalent positions (FTE's). No added facilities costs would be incurred as all existing facilities are owned by the State. Current facilities operating expenses would remain at approximately \$400,000 per year.

LOCAL GOVERNMENT IMPACT:

Enactment should have little or no impact on local government expenditures.

SPECIAL NOTES:

Enactment of the provision that a person charged or convicted in this State must be housed in a correctional facility in the State would result in termination of the state's participation in the Interstate Correctional Compact which allows South Carolina inmates convicted in other states to transfer to SCDC to serve their sentences.

Approved by:



Don Addy
Assistant Director, Office of State Budget